

# Abstract review

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## Overview

We review the Abstract by comparing it to (1) itself, (2) the prior year's abstract, (3) net assessed value reports, and (4) credit worksheets. For each item listed below we must understand the cause of the difference. Note that a variance from expectation does not indicate an error; rather, it indicates that there is a significant change and thus a greater than normal potential for error. Therefore, we require a county explanation for all significant changes. This method of review does not identify all errors, but it has prevented some mistakes. Our forecasted amounts are derived from the (1) prior year taxing district assessed values, (2) prior year TIF districts assessed values, (3) other rates and subtotals on the prior year abstract and (3) December settlement reported delinquent taxes.

## AOS Review Areas

1. Taxing districts
  - Changes in the number and names of taxing districts from year to year
2. Assessed Values
  - Changes of more than 20% in assessed values from the prior year (Section 1B column 30, 32, and 33)
  - Section 1B Column 30 is completed. Column 32 is completed if there is a Homestead credit. Column 33 is completed if there is a Residential Property Tax Replacement credit.
3. Credit Rates
  - COIT rate calculated by DLGF was placed on the Abstract
  - The rates calculated on the credit worksheets are used on the abstract in Section 5

Credit Type	Abstract Section
PTRC	Section 5, Column 10
COIT HSC	Section 5, Column 11
CEDIT HSC (allocated or uniform calculated rates)	Section 5, Column 12
CEDIT Residential PTRC	Section 5, Column 13
LOIT HSC	Section 5, Column 14
LOIT Residential PTRC	Section 5, Column 15
Other PTRC	Section 5, Column 16

- Only county applicable credits appear on the Abstract.
4. TIF
    - Changes in the number and names of TIF districts from year to year
    - Changes in real, personal, and HSC values of more than 20% from the prior year. These values are found in Section 1A column 18, Section 1B column 29, and Section 1B column 32
    - Grand totals of Section 1A, Column 17 and Section 1B, Column 28 on the Abstract are zero
    - Tax rates were entered correctly by the county in Section 4 column 25. In general, tax rates entered in cells GA327:GA391 should match taxing district rates in which each TIF is located. Possible explanations of variances include changes in Taxing district city/town rates after a

TIF is created, POST 09 Referendum fund TIF adjustments, and Special Fire district fund TIF adjustments.

5. Delinquent Taxes and Penalties

Section and Column of the Abstract		Section of the December 105
Section 5, Column 18	Equal to Sum of	Section A-1, Rows 24, 25, and 29
Section 5, Column 19	Equal to Sum of	Section A-1, Rows 26, 27, 28 and 30
Section 5, Column 20	5-10% of	Section A-1, Row 24
Section 5, Column 21	10% of	Section A-1, Row 29

6. Review Areas

- Columns HD to HT are reviewed for any differences greater than \$1

7. Circuit Breaker

- Circuit breakers are expected when the threshold is reached. Section 5, Column 2, 3 or 4 on the Abstract are reviewed for compliance.
  - i. Homestead Property cap equals 1% of gross assessed value
  - ii. Residential property, long term care property and agricultural land cap equals 2% of gross assessed value
  - iii. Nonresidential real property and personal property equals 3% of gross assessed value

8. Other general data entry

- No blank cells
- No formula errors
- No negative numbers in rows 8 to 127
- Grand total line year to year differences are reviewed.

## AOS Post Pre-Approval

Once the Abstract is pre-approved, the Auditor of State takes the following steps:

- 1) Update the TIF rates for Post 09 Fund adjustments and Special District Fire Funds. This step can be completed by the County, in which case we will review the pre-entered entered data.
- 2) Distribute the pre-approved abstract to the county, the software vendors, and other individuals throughout the State.
- 3) Calculate Circuit Breaker Adjustments.
- 4) Confirm Circuit Breaker Adjustments with the county.
- 5) Distribute the Circuit Breaker Adjusted abstract to the county, the software vendors, and other individuals throughout the State.
- 6) Once the DLGF and LSA compliance report is received, print and mail the Abstracts and coversheets to County offices.
- 7) Confirm with the counties when the signed coversheet is returned to the State.